



VENDOR HANDBOOK



South Carolina Department of Health and Environmental Control

South Carolina WIC Vendor Program

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About the Program

WIC is the Special Supplemental Nutrition Program for Women, Infants and Children. In South Carolina, the program is administered through the S.C. Department of Health and Environmental Control. WIC provides nutritious foods, nutrition counseling, and referrals to health care providers and social services agencies. WIC serves low-income pregnant, postpartum and breastfeeding women, infants and children up to age 5 who are at nutritional risk.

Application for WIC is made at local health departments. Applicants must provide proof of residency (they must live within the state), and documentation of their household income. Applicants' income must fall at or below 185 percent of the U.S. Poverty Guidelines. In addition, applicants must have a nutritional risk factor defined as abnormal weight gain during pregnancy, history of high-risk pregnancies, growth problems, inadequate diet, iron-deficiency anemia or other similar problems.

Eligible applicants are certified for a defined period of time; a) infants up to age 1, b) children for a period of one year per certification, c) pregnant women for duration of their pregnancy and up to six weeks after delivery, d) postpartum women until six (6) months after delivery and e) breastfeeding women as long as they are breastfeeding, not to exceed one year after birth.

WIC participants receive WIC EBT cards to purchase specific foods each month that are designed to supplement their diets with specific nutrients. Participants obtain the foods by use of eWIC cards in grocery stores that are authorized as WIC Vendors.

The WIC Program has been found to be very effective. The results of numerous federal, state, and local studies conducted both by government and citizens groups point to the positive impact of the WIC Program. Specific findings include an increase in early (first trimester) prenatal care, increased length of gestation, decreased rate of pre-term delivery, significant increases in birth weight and reduced late fetal deaths. WIC participation was also associated with improved dietary intakes of protein and other nutrients that often are inadequate in the diets of low-income pregnant women and children.

Vendors play an important role in the WIC Programs and are critical to its success. If WIC EBT transactions occur according to procedures, participants are best able to realize the full benefit from the program.

Definitions for WIC Vendors

Above-50-percent vendors: vendors that derive more than 50 percent of their annual food sales revenue from WIC EBT purchases

Authorized Product List (APL): the list of universal product codes (UPCs) and product look-up (PLU) codes for WIC supplemental foods, fruits and vegetables that are authorized for purchase by WIC customers. The APL should be uploaded daily.

Authorized Supplemental Foods: the supplemental foods authorized by the state or local agency to be obtained with WIC EBT cards

Cardholder: The person authorized to use the *eWIC* card to shop for WIC food benefits at WIC authorized vendors. The cardholder is typically the participant or the parent/guardian/caregiver of the infant or child participant. The cardholder is responsible for the *eWIC* card, even if the cardholder provides the card and PIN to another person

Cash Value Benefit (CVB): a fixed-dollar-amount electronic benefit transfer (*eWIC*) card used to buy eligible fruits and vegetables

Electronic Benefit Transfer (EBT): the electronic transfer of benefits to individuals through the use of card technology and point-of-sale terminals. The method that permits electronic access to WIC food benefits with the use of a card. EBT in South Carolina is referred to as *eWIC*

EBT Capable- means the WIC vendor demonstrates their cash register system or payment device can accurately and securely obtain WIC food balances associated with an EBT card, maintain the necessary files such as the authorized product list, hot card file and claim file and successfully complete WIC EBT purchases

eWIC: describe the issuance of food benefits to participants via Electronic Benefits Transfer (EBT)

***eWIC* Card:** Magnetic stripe card used to purchase WIC authorized foods or formulas from a WIC family's *eWIC* account. Each card has a 16-digit Primary Account Number (PAN)

Home Food Delivery System: systems in which authorized supplemental foods are delivered to the participant's home (*South Carolina does not allow*)

Food Sales: sales of all Supplemental Nutrition Assistance Program (SNAP) eligible foods intended for home preparation and consumption

Incentives: anything made available as a complimentary gift that might be consumed or taken without charge allowable only to WIC participants

Integrated vendor: A WIC-authorized store that uses a multi-function point of sale system. Registers accept WIC in all lanes and require a single scan to verify the item's WIC eligibility and ring up the purchase. Integrated vendors support "mixed basket" transactions where WIC, SNAP, debit, etc. can be rung up together and tendered separately

Inventory audit: the examination of food invoices or other proofs of purchase to determine whether a vendor has purchased sufficient quantities of supplemental foods to provide participants the quantities specified on food instruments redeemed by the vendor during a given period of time

Maximum Allowable Reimbursement Level (MARL): the maximum price point the state shall reimburse the vendor for food items sold to participants. The State Agency may collect all charges above the MARL by withholding future redemptions until the excess charges have been collected

Not to Exceed (NTE): The maximum price established by the State WIC Program that the state will reimburse the vendor for an approved food item

Participants: pregnant women, breastfeeding women, postpartum women, infants and children who are receiving food checks under the program

Peer Group: a group of WIC vendors who have common characteristics, including, but not limited to, type of business, type of ownership, total sales volume, pricing of approved foods, and located in the same geographic region (*See vendor agreement*)

Personal Identification Number (PIN): A 4 digit number set by the cardholder to maintain secure access to the food benefits via the eWIC card

Point of Sale (POS) Terminal: An electronic device used by retailers to process credit and debit transactions

Proxy: any person designated by a participant, or by a parent or caretaker of an infant or child participant, to obtain and transact food checks on behalf of a participant

Shopping List: A list issued and given to the family that includes all of their available foods. The shopping list can be obtained at the local WIC office, at the store or online

Stand-beside Vendor: A WIC-authorized grocery store that uses a point of sale device. Stand-beside equipment requires two scans of the items; one in the point of sale device to make sure the items are WIC-approved and another to ring up the purchase in the store register. Shoppers must keep WIC transactions separate at stand-beside vendors. WIC might only be accepted in some lanes

Statewide EBT- means the State agency has converted all WIC clinics to an EBT delivery method and all authorized vendors are capable of transacting EBT purchases

Store Types: each vendor must comply with at least one of the established definitions for store type in order to be assigned to a peer group (*See vendor peer groups*)

Supplemental Nutrition Assistance Program (SNAP): refers to the Food Stamp Program

Vendor: a grocery store or pharmacy authorized to accept WIC checks and CVVs and provide the approved foods allowed for that store type

Vendor Overcharge: intentionally or unintentionally charging the state agency more for authorized WIC items than is permitted under the vendor agreement

WIC Check: a negotiable check used by a program to purchase food

WIC Vendor Agreement: standard written agreement specifying the terms and conditions to be an authorized vendor

Peer Group Assignment and Competitive Price Selection Criteria (CPSC)

Federal regulations require state WIC Programs to establish competitive pricing and price limitations during the process of vendor authorization. Competitive pricing considers the prices a vendor charges for supplemental foods as compared to the prices charged by other authorized vendors within the same store type and geographical area. Price limitations ensure that a vendor applicant has competitive prices and maintains competitive prices as an authorized vendor. Within six (6) months of participation on the program, the vendor must be reassessed to ensure that they have not reached above-50-percent status. After this assessment is completed, if the vendor WIC redemptions exceed their SNAP, additional legal or certified tax documents will be required. If the vendor is determined to be above-50-percent after re-assessment, the vendor will be terminated. Prior to terminating or denying a vendor for participant access, the following participant access determinations are required:

1. Denying a vendor applicant, except for failure to maintain minimum stock or meet competitive price selection criteria (CPSC),
2. Terminating a vendor for vendor violations, except for failure to maintain minimum stock or meet competitive price selection criteria (CPSC).
3. Disqualifying a vendor as required by federal law, except for third or subsequent violations or permanent SNAP disqualifications.

Inadequate participant access to WIC foods or formula will be determined at South Carolina WIC's sole discretion when:

1. In that geographical region, there is no WIC-authorized vendor that provides food items located within 5 miles driving distance of the food vendor being assessed.

The competitive pricing structure for the South Carolina WIC Program establishes five store types within each of the four geographic regions of the state. Each vendor is assigned to one of the established store type and peer group and is informed of their assignment and geographical region at the time of their authorization.

The listed below are the definitions of each vendor store type.

<u>Store Type</u>	<u>Definition</u>
Store Type 1	Total food sales > \$10,000,000
Store Type 2	Total food sales of \$10,000,000 - \$5,000,000
Store Type 3	Total food sales < \$5,000,000
Store Type 4	Government owned facilities (Commissaries)
Store Type 5	Pharmacy – Primarily sells products such as medicine, health care items, etc. (Redeem only exempt and/or special infant formula) Pharmacies that are located within a retail establishment, such as a chain store, are not included in this category. Such pharmacies shall be authorized as part of the store and will not be authorized independently.

Pharmacies must make available, upon request, special formulas (Elecare, Neocate, Peptamen, Phenex, etc.)

South Carolina may change a vendor's store type whenever it is determined that placement in an alternate store type is warranted. Vendors will be notified when their store type assignment changes.

Vendors that derive more than 50-percent of their annual food sales revenue from eWIC benefits are considered as "Above-50-percent vendors".

South Carolina does not authorize above-50-percent vendors. Vendors found to be at above-50-percent status after assessment will be terminated.

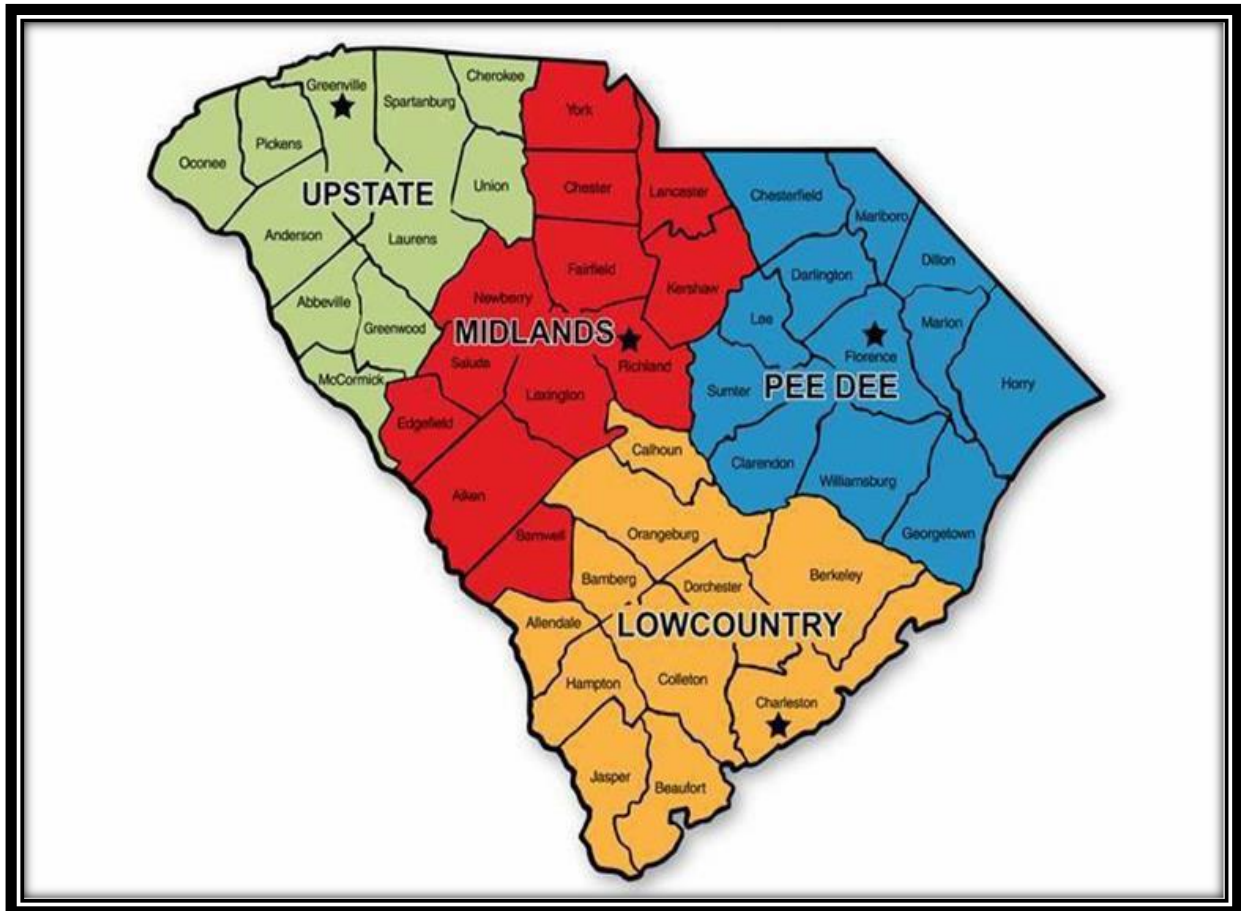
Competitive pricing for the Maximum Allowable Reimbursement Levels (MARLs) shall be based on store prices submitted in one of two ways. For new applicant stores, shelf prices submitted with the application may be used. These shelf prices may be compared with peer group redemption prices as of the end of the month immediately preceding the application date using a market basket of comparable food items. For stores applying for reauthorization, the store's redemptions may be compared to the redemptions for their store type during the application process. Stores with one or more redemption records that exceed the store type average by 20 percent or more (the MARL) may be considered non-competitive and may be terminated or disqualified.

South Carolina Vendor Peer Groups

Peer Group	Store Type	Region
Vendor Peer Group 1	Total Food Sales > \$10,000,000	Upstate
Vendor Peer Group 2	Total Food Sales > \$10,000,000	Midlands
Vendor Peer Group 3	Total Food Sales > \$10,000,000	Pee Dee
Vendor Peer Group 4	Total Food Sales > \$10,000,000	Low Country
Vendor Peer Group 5	Total Food Sales \$10,000,000 -\$5,000,000	Upstate
Vendor Peer Group 6	Total Food Sales \$10,000,000 -\$5,000,000	Midlands
Vendor Peer Group 7	Total Food Sales \$10,000,000 -\$5,000,000	Pee Dee
Vendor Peer Group 8	Total Food Sales \$10,000,000 -\$5,000,000	Low Country
Vendor Peer Group 9	Total Food Sales < \$5,000,000	Upstate
Vendor Peer Group 10	Total Food Sales < \$5,000,000	Midlands
Vendor Peer Group 11	Total Food Sales < \$5,000,000	Pee Dee
Vendor Peer Group 12	Total Food Sales < \$5,000,000	Low Country
Vendor Peer Group 13	Commissaries – Government owned	Midlands
Vendor Peer Group 14	Commissaries – Government owned	Pee Dee
Vendor Peer Group 15	Commissaries – Government owned	Low Country
Vendor Peer Group 16	Pharmacy	Upstate
Vendor Peer Group 17	Pharmacy	Midlands
Vendor Peer Group 18	Pharmacy	Pharmacy - Pee Dee
Vendor Peer Group 19	Pharmacy	Pharmacy - Low Country
Vendor Peer Group 20	Farmer	

DHEC Regions

As a cost containment measure, vendor prices will be compared with vendors in the same peer group geographical area. Below is a map of DHEC regions.



SOUTH CAROLINA WIC PROGRAM STOCKING REQUIREMENTS

The vendor must stock the varieties and minimum quantities of WIC approved foods as listed in the current WIC approved food list. Only approved foods within the manufacturer's product eligibility date will be counted as part of minimum stock. **Vendors cannot use another store's brand items as part of the minimum stocking requirements.** Minimum stocking requirements are listed below:

INFANT FORMULA

ITEM:	Gerber Good Start Gentle	12.7 oz. powder
	<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
	(1) (2) (4)	30 containers
	(3)	24 containers
ITEM:	Gerber Good Start Soy	12.9 oz. powder
	<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
	(1) (2) (3) (4)	12 containers
ITEM:	Gerber Good Start Soothe	12.4 oz. powder
	<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
	(1) (2) (3) (4)	12 containers

INFANT CEREAL (*Not allowed – added fruit or formula, canister cereals with DHA*)

ITEM:	Beech Nut, Gerber, or Comforts For Baby (Single or mixed grain, no fruit added)	8 oz. box
	<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
	(1) (2) (4)	3 varieties, 6 boxes of each
	(3)	2 varieties, 6 boxes of each

INFANT FRUITS & VEGETABLES (*single or mixed ingredients*)

ITEM:	Beech Nut or Gerber	4 oz. jar
	<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
	(1) (2) (4)	2 varieties of fruits 2 varieties of vegetables Total 96 containers
	(3)	1 variety of fruit 1 variety of vegetable Total 32 containers

INFANT MEATS (*single ingredient*)

ITEM:	Beech Nut or Gerber	2.5 oz. jar
	<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
	(1) (2) (3)	2 varieties 31 containers
	(3)	1 variety, 16 containers

Milk	
Reduced Fat (2%) and Whole	
<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
(1) (2) (4)	2 half-gallon containers (each type) 4 gallon containers (each type)
(3)	2 half-gallon containers (each type) 2 gallon containers (each type)
Low Fat (1%) and Fat Free (Skim)	
<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
(1) (2) (4)	2 half-gallon containers (each type) 10 gallon containers total with a minimum of four gallons of Skim
(3)	2 half-gallon containers (each type) 2 gallon containers (each type)
CHEESE (Not allowed: deli-specialty, cheese food, product, spread or cracker cuts)	
	1-lb (16 oz.)
<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
(1) (2) (3) (4)	8-lb (16 oz.) sizes
CEREAL	
(This includes 1 variety of whole grain cereal)	12 oz., 18 oz., 36 oz., sizes ONLY (Unless specified size in food guide)
<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
(1) (2) (3) (4)	6 varieties, 4 boxes each
JUICE	
100% Unsweetened	64 oz. containers
<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
(1) (2) (3) (4)	2 varieties, 6 containers each (This includes 1 variety of WIC approved apple juice in 64 oz. size)
Frozen Juice	11.5 - 12 oz. containers
<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
(1) (2) (3) (4)	1 variety, 6 containers each
EGGS (Not allowed: specialty, brown, or organic)	
Large White Only	1 dozen
<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
(1) (2) (3) (4)	8 dozens
PEANUT BUTTER (Not allowed: added food items, spreads, organic)	
Smooth, Crunchy or Chunky	16 - 18 oz. container
<i>Store Type</i>	<i>MINIMUM QUANTITY</i>
(1) (2) (3) (4)	8 jars

DRIED PEAS / BEANS (Not allowed: organic, sweet peas)		
ITEM:	Unflavored single variety beans or peas	1-lb (16 oz.)
	<i>Store Type</i>	MINIMUM QUANTITY
	(1) (2) (3) (4)	2 types, 8 packages each
CANNED MATURE BEANS (Not allowed: organic, canned green beans, canned sweet peas)		
ITEM:	Unflavored single variety beans or peas	15 – 16 oz.
	<i>Store Type</i>	MINIMUM QUANTITY
	(1) (2) (3) (4)	24 cans
TUNA (Not allowed: albacore-white tuna)		
ITEM:	Any brand, water- or oil-packed	5 oz. container
	<i>Store Type</i>	MINIMUM QUANTITY
	(1) (2) (3) (4)	15 cans
BREAD		
ITEM:	Whole Grain or Whole Wheat	1-lb (16oz.)
	<i>Store Type</i>	MINIMUM QUANTITY
	(1) (2) (3) (4)	8 loaves
FRUITS AND VEGETABLES		
ITEM:	Fresh & Frozen	
	<i>Store Type</i>	MINIMUM QUANTITY
	(1) (2) (3) (4)	2 varieties of fruit (4 pounds total) 2 varieties of vegetables (4 pounds total)

Vendor Price Surveys

Price Surveys are used to determine the maximum price vendors can charge for WIC-allowed food items. The prices from the vendor survey are used to compare vendor store type and peer group from the same geographical region. WIC authorized vendors are required to complete a shelf price survey at least twice a year - in **March** and **September** - to ensure compliance with cost containment regulations. South Carolina vendors can now complete and submit their Vendor Price Survey online. <https://scps.wicbanking.com>

IT IS VERY IMPORTANT THAT VENDORS COMPLETE THIS SURVEY AS REQUESTED.

How to Become a South Carolina eWIC Vendor

To become an authorized Vendor, applicants must meet the selection criteria established by USDA and the South Carolina WIC Program. To meet the selection criteria, a vendor applicant **must**:

1. Enter into a financial agreement with South Carolina WIC to process WIC EBT Cards.
 - 1) Vendors with integrated cash register (ICR) systems will process WIC EBT transactions via a third party processor (TPP). Vendors using a TPP should ensure that the TPP is aware of South Carolina WIC procedures and has entered into a financial agreement with Conduent, South Carolina's contractor for WIC EBT processing.
 - 2) Vendors who do not possess integrated cash register (ICR) systems must process WIC EBT using Conduent-provided stand-beside point-of-sale (POS) machine(s). South Carolina WIC will only provide new stand-beside POS vendors with state-funded POS equipment if the vendor is determined necessary for client access using the client access criteria described on page 5 in this manual.
2. Accept South Carolina WIC EBT cards and follow redemption procedures. The EBT card redemption process is different for integrated cash register (ICR) and stand-beside point-of-sale (POS) machines:

Integrated Cash Register (ICR) Vendors

- 1) Scan the selected items and ask for form of payment. Participants are encouraged to separate their WIC and non-WIC items in a transaction, but participants are not required to separate items.
- 2) The client will swipe a WIC EBT card at the cash register. Depending on the capabilities of the integrated cash register system, the participant may need to inform the cashier that he/she is using an EBT card.
- 3) The cash register system will identify WIC approved items assigned to the client.
- 4) Provide a mid-transaction receipt to the client to review. This allows the client to identify if any items were not scanned as expected.
- 5) The client will accept charges to the WIC EBT card, and the benefits will be removed. The dollar amount of the WIC transaction will be charged to the South Carolina WIC Program. The client can choose to not accept charges and ask the vendor to void items that the client does not wish to purchase. The client remains responsible for any items that are not WIC approved or have not been assigned to the client's EBT card once the transaction is approved. The client can use any other

form of financial tender (e.g., SNAP, TANF, credit card, debit card, cash, etc.) to complete the transaction.

- 6) Provide a receipt to the client that includes the client's remaining monthly WIC balance.

Point-of-Sale (POS) Vendors

- 1) Ask the participant to separate WIC purchases from non-WIC items.
 - 2) Ask the participant to swipe the WIC EBT card in the POS machine.
 - 3) Scan the WIC items in the POS machine and verify that the WIC items are correct.
 - 4) Once all of the WIC items are scanned in the POS, total the transaction and print the client's remaining WIC balance.
 - 5) Continue the transaction with the client's remaining non-WIC items.
-
3. Not charge South Carolina WIC for any processing fees, interchange fees, or ongoing maintenance and operational costs for WIC EBT transaction processing, with the exception of vendors needed for client access who require WIC-specific point-of-sale (POS) machines, accessories, and replacements or repairs associated with such devices.
 4. Not accept a WIC EBT card for any purpose other than the redemption of WIC benefits and benefit balance inquiries.
 5. Void items in a mixed basket transaction that the participant does not wish to purchase.
 6. Allow split tender transactions for Cash Value Benefit (CVB) fruit and/or vegetable purchases.
 7. Update their cash registers with the most current South Carolina WIC Approved Product List (APL) on a daily basis.
 8. Submit the UPCs of new or modified WIC eligible items to the South Carolina WIC APL prior to introduction of these items onto store shelves.
 9. Utilize Price Look-Up (PLU) codes for fresh produce items with UPCs.
 10. Maintain prices of WIC authorized food within 20% of their peer group average price on each WIC item.
 11. Charge the WIC Program only for the cost of the WIC foods received at the time of redemption.

12. Not provide refunds, store credit or permit exchanges for foods purchased with the WIC EBT card except for exchanges for an identical authorized food item when the original food item is defective, spoiled, has exceeded its “sell by,” “best if used by,” or other date limiting the sale or use of the item
13. Comply with nondiscrimination statutes on page 27 of this manual.
14. Not request additional identification beyond a Personal Identification Number (PIN) from participants, parents, caretakers, or proxies during a WIC purchase.
15. Extend WIC customers the same service, courtesies, promotional offers, and same general treatment as non-WIC customers, with the exception of return policies.
16. Attend annual training on WIC procedures offered by the state WIC office.
17. Be responsible for training its store personnel on program requirements and is accountable for the actions of owners, officers, managers, agents, and employees who commit vendor violations.
18. Pass a monitoring review to determine whether the store has the minimum inventory of supplemental foods and agree to periodic inspections/monitoring by WIC staff.
19. Must have a fixed location and be open a minimum of eight hours per day, six days per week. Home delivery of WIC purchases is not allowed.
20. Must maintain a minimum stock of WIC approved foods within date.
21. Retain inventory records for a minimum of three years for state and federal purposes and other records as noted in the Vendor Agreement. All infant formula and WIC eligible nutritionals must be purchased from an approved source. A list of approved Formula Wholesalers and Retailer are listed on page 19 of this manual.
22. Must clearly show the price of all WIC approved foods of items on shelves or signage.
23. Must not designate special checkout lanes restricted to use by participants.
24. Must provide banking information to South Carolina WIC and the third party WIC EBT financial processor (Conduent).
25. Must notify South Carolina WIC about any permanent or temporary store closures, changes in ownership, or changes in location at least 15 days in advance.
26. Alert the South Carolina WIC Program in writing about any WIC EBT payment adjustment requests within 30 calendar days of the original transaction date.
27. Be an authorized Supplemental Nutrition Assistance Program (SNAP) vendor (Pharmacies are exempt from this requirement).

28. Have no convictions or civil judgments within the last six years that indicate a lack of business integrity on the part of the current owners, officers or managers. Such activities include, but are not limited to, fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification of records, making false statements, receiving stolen property, making false claims and obstruction of justice.
29. Not be employed by or have a spouse, child, or parent employed by the WIC Program serving the country in which the vendor applicant conducts business. An applicant also shall not have an employee who handles, transacts, deposits or stores WIC checks who is employed by – or has a spouse, child, or parent who is employed by the WIC Program serving the county in which the vendor applicant conducts business.
30. Complete the required WIC Vendor Application, WIC Price List, Vendor Agreement, Request for Taxpayer Identification and Certification form (IRS W-9) and register as a vendor through the South Carolina State Government Procurement System Vendor Registration. <https://procurement.sc.gov/vendor/registration>.
31. Not provide transportation for participants to and from a vendor's premises, not deliver supplemental foods to participants, offer promotional incentives directed solely to WIC participants.
32. Not apply to the WIC Program if the store has been disqualified from participation in the WIC Program and the disqualification period has not expired.

Vendor Authorization and Application Process

An applicant must be an authorized SNAP vendor prior to applying for WIC Program vendor authorization. To be eligible to accept eWIC benefits, food retailers and pharmacies must be authorized by the state WIC Program.

All applicants must complete the following forms: WIC Vendor Application, WIC Price List, Vendor Agreement and an IRS W-9, Request for Taxpayer Identification and Certification form. Applicants also must register as a vendor through the South Carolina State Government Procurement System Vendor Registration.

If a vendor applicant has prices above the maximum allowable price for its assigned peer group, the WIC Vendor Management Unit notifies the vendor applicant in writing. The vendor applicant is then given an opportunity to submit a revised WIC Vendor Price List within 30 days. If any of the vendor applicant's resubmitted prices exceed the maximum allowed or the vendor does not resubmit prices within 30 days, the application is denied in writing. If at any time the applicant's application is denied, the applicant must wait 180 days from the date of the written denial to reapply.

The WIC Vendor Management Unit conducts a preapproval visit to the store to determine if the applicant's store meets WIC vendor selection requirements. A key requirement is that the store carries the minimum inventory of WIC foods. **Vendors/applicants cannot use another store's**

brand items as part of the minimum stocking requirements. If a vendor applicant fails the first visit, the WIC Program staff revisits within 30 days. Vendor applicants failing the second visit cannot reapply for a period of 180 days from the date of the second preapproval visit.

All applications will remain on file for six (6) months. After that period, applicants will be required to complete a new application.

During a pre-approval visit, Vendor Management Staff:

- Meets with the store manager/owner to discuss all items listed on the Pre-approval Visit Form.
- Reviews the stock to ensure that minimum stocking requirements are met.
- Reviews invoices to ensure that formula was purchased from an approved wholesaler, distributor and/or manufacturer.
- Checks prices to see if vendor prices are consistent with the vendor price survey that was approved.
- Verifies that WIC items are not the majority of the vendor's inventory.
- Allows the vendor to ask any questions concerning the program.
- Obtains vendor's signature on the Vendor Agreement, Pre-approval Visit Form and Price List.
- Verifies that the store's cash registers can process WIC EBT successfully.
- Give the vendor a vendor resource packet. (Vendor Manual, Step-By-Step and We Accept WIC Poster)

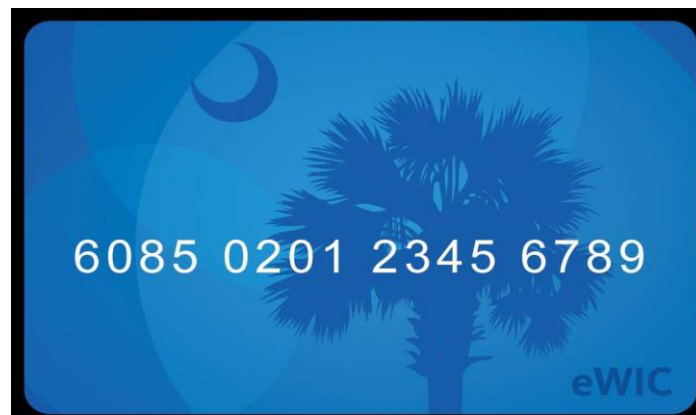
If the store is a POS stand-beside vendor, store ownership will also sign a financial processing agreement with Conduent for WIC EBT transactions. Conduent will provide the POS stand-beside device(s) and install and train store staff on how to use the device(s).

A vendor applicant cannot accept WIC checks prior to authorization.

Guidelines for transacting eWIC Benefits

The South Carolina WIC Program issues WIC EBT cards (eWIC)

Sample WIC EBT (eWIC) Card



A transaction is the process by which a WIC participant presents a eWIC card to a vendor to exchange for supplemental food allowed by the WIC Program.

The key to proper WIC transactions is to ensure that all store personnel strictly follow procedures when accepting eWIC cards.

Authorized WIC vendors must offer WIC customers the same courtesies offered to other customers. Examples include accepting discount and manufacturer's coupons and "valued customer" cards, and not creating separate checkout lines for WIC customers.

Vendor System Requirements for eWIC

1. The vendor system must be able to:
 - Use the authorized products list (APL) to identify WIC products based on a UPC or PLU during a purchase.
 - Use the account balance in determining items that can be purchased in the eWIC transaction.
 - Electronically submit eWIC transactions.
2. The vendor system must be certified.
3. Vendor must maintain a bank account for the deposit of eWIC settlement payments.

Vendor System Alternatives

1. Integrated Cash Register
 - Typical for chain and multi-lane or vendors with cash registers that are e-WIC ready, but encouraged for all.
 - Operate like all other tender types.
 - Typically separate equipment not required.
 - Streamlined approach to e-WIC.
2. Stand-Beside Point-of-Sales
 - Separate from store cash register system
 - Double scan with key entered price and discount amounts
 - Daily totals are reported separately, payment separate from credit and debit
 - Can work over dial-up, or high speed internet connection

Accepting eWIC Benefits

The following steps must be followed when accepting eWIC benefits:

Note: The WIC customer MUST use their eWIC card as their first form of payment. Any balance left can be paid with another payment type.

1. The cashier scans all of the items in the WIC customer's basket.
2. The eWIC Card is swiped/inserted and the cardholder enters their PIN.
3. System validates the eWIC card and PIN.
4. The WIC customer will then receive a "balance inquiry receipt" printed by the cashier at the register that shows their current benefits and the benefits that will be used with this transaction.
 - Each food item that has been scanned is:
 - Compared to APL maintained locally to determine if it is an allowable WIC item.
 - Compared to cardholder balance to determine if there is sufficient balance to purchase.
5. Retail system captures data including item prices and discounts to send to eWIC system.
6. The household's balance is reduced by the amounts (qty.) of items being purchased.
7. If an item price exceeds the MARL amount, the item is paid up to the MARL and total payment amount is adjusted.
8. The e-WIC system provides the retail system with the approved paid amount.
9. The client will "accept" the transaction, and then if there are other items purchased, the client can pay the balance first with their SNAP card (if applicable), or cash or debit/credit card last. (Integrated systems only.)
10. A final receipt will be printed that shows purchase details, customer's remaining balance, and last date to spend for remaining benefits. Participants are encourage to keep this receipt so they know what foods they have remaining on their balance and when they expire.

List of Infant Formula Manufacturers, Wholesalers, Distributors, and Retailers

Each State WIC Program is required to maintain a list of infant formula wholesalers, distributors or retailers licensed in the State in accordance with State law and infant formula manufacturers registered with FDA that provide infant formula.

INFANT MANUFACTURERS		
<u>AmerisourceBergen</u> 1300 Morris Drive Chesterbrook, PA 19087	<u>Abbott Laboratories</u> Abbott Nutrition 3300 Stelzer Road Columbus, Ohio 43219-7677	<u>McKesson Corporation</u> 1 Post St. San Francisco, CA 94101
<u>Mead Johnson</u> Mead Johnson Nutritional 2400 West Lloyd Expressway Evansville, IN 47721-0001	<u>Nestle USA</u> Nestle Infant Nutrition 12 Vreeland Road, Box 697 Florham Park, NJ 07932-0697	<u>Nutricia North America</u> Nutricia North America 9900 Belward Campus Drive Suite 100 Rockville, MD 20850
<u>PBM Nutritionals</u> PBM Nutritionals, LLC 652 Peter Jefferson Pkwy Suite 300 Charlottesville, VA 22911	<u>*Prolacta Bioscience*</u> 757 Baldwin Park Blvd City of Industry, CA 91746	
WHOLESALE AND DISTRIBUTORS		
<u>W. Lee Flowers (Floco)</u> P.O. Box 1629 Lake City, SC 29560 127 East W. Lee Flowers Road Scranton, SC 29591	<u>Cash & Carry Wholesale</u> 1421 Five Chop Road Orangeburg, SC 29115 2440 Broad Street Sumter, SC 29150 100 Old Beach Place Rd Walterboro, SC 29488	<u>H.T. Hackney Company</u> 502 S. Gay Street Knoxville, TN 37902 209 Flintlake Road Columbia, SC 29223 333 Dreher Road Columbia, SC 29169 109 Sulphur Springs Road Greenville, SC 29617 368 Millennium Drive Orangeburg, SC 29115 2112 West Jody Road Florence, SC 29501 148 Industrial Drive Greenwood, SC 29646 1299 Flint Sheet Ext. Rock Hill, SC 29730
<u>Costco Wholesale (Corporate office)</u> P.O. Box 34331 Seattle, WA 98124		
<u>J.T. Davenport & Sons, Inc.</u> 1144 Broadway Road Sanford, NC 27332 P.O. Box 1105 Sanford, NC 27331	<u>Nash Finch Company</u> 121 Cold Storage Road P.O. Box 1709 Lumberton, NC 28358 12319 Hwy 301 South Statesboro, GA 30458 P.O. Box 490 Statesboro, GA 30459	
<u>Supervalu, Inc.</u> 605 Selig Drive Anniston, AL 36201	<u>Atlantic Dominion Distributors</u> 3641 Legion Road Hope Mills, NC 28348	<u>Dean Foods</u> 3436 Torrington Way Suite 200 Charlotte, NC 28277

<u>C & S Wholesale Services, Inc.</u> 208 Bi-Lo Blvd Greenville, SC 29607	<u>Cardinal Health, LLC</u> 4 Girbaud Court Greensboro, NC 27407	<u>Merchants Distributor (MDI)</u> 5005 Alex Lee Blvd PO Box 2148 Hickory, NC 28603
<u>Food Lion Distribution Center</u> 6800 Snider Street Elloree, SC 29047	<u>Harris Teeter Warehouse</u> 6001 Hwy. 74 Monroe, NC 28110	<u>Ingles Markets Incorporated</u> PO Box 6676 Asheville, NC 28816
<u>Piggly Wiggly Carolina</u> 4401 Piggly Wiggly Drive Charleston, SC 29406	<u>Publix Atlanta Distribution Warehouse</u> 445 Hurricane Trail Dacula, GA 30019	<u>Spartan Nash</u> 360 Hoffman Court St. Cloud, MN 56303
<u>Wal-Mart Distribution Center</u> 702 S. W. 8 th Street Bentonville, AR 72716	<u>Sam's Club Corporate Office</u> 2101 S.E. Simple Savings Drive Bentonville, AR 72716-0745	

****Per USDA, Prolacta human milk products are not WIC-eligible formulas, and therefore should not be purchased by vendors for sale to WIC participants.***

Vendor Monitoring

Under Federal WIC Regulations, State WIC Programs are required to conduct monitoring of all vendors approved for participation in the WIC Program. The monitoring includes routine visits, follow-up visits, compliance buys and inventory audits.

All WIC Vendor responsibilities are administered at the State WIC office.

ROUTINE VISITS – The Program monitors WIC vendors every eighteen (18) to twenty four (24) months to ensure compliance with program requirements.

The following information explains the process for vendor monitoring. During a routine Visit, a WIC staff member will:

1. Enter the store and identify himself/herself to a member of management at the time of the visit.
2. Check stock of WIC foods and formula for quantity, quality and price.
3. Review invoices to ensure that formula was purchased from an approved wholesaler, distributor and or manufacturer.
4. Observe a WIC participant using an eWIC card, if possible, or ask a cashier to explain the procedures for eWIC transactions.
5. Ensure that equipment used to transact eWIC is accessible to the WIC customer.

6. Assessment of compliance with eWIC minimum lane coverage requirements.
7. Determine if violations have occurred. If violations are found, the WIC staff will:
 - a. Discuss the violations with the person in charge;
 - b. Apply the appropriate number of violation points;
 - c. Explain what needs to be done to correct problem areas/violations;
 - d. Explain how long the store has to correct problems;
 - e. Explain what actions will be taken against the store if the needed corrective actions are not taken within the required time period.
8. Send a letter following the review restating the results of the monitoring visit. The letter should be accompanied by a copy of the Vendor Summary Review that lists the violation, corrective action and the time frame for the follow-up visit, if needed.

FOLLOW-UP VISITS – If problems are identified during the routine visit, a follow-up visit will be scheduled within two (2) weeks. This visit allows the program to:

1. Determine if problems cited have been corrected;
2. Assist the vendor with more information or training;
3. Review the vendor requirements according to the WIC Agreement.

COMPLIANCE BUY VISITS – Each year a random sample of all active vendors are selected for routine compliance buys. If there is a strong indication that a store is in violation of program regulations, a compliance buy may be conducted. During these visits, a WIC staff member visits the store posing as a WIC participant, transacts one or more Food Instruments (EBT Card) or Cash-Value Benefit (CVB) and documents what actions employees took during the transaction. The WIC Vendor Management Unit will notify the vendor in writing of the results of the initial compliance buy violation. A pattern must be established prior to documenting subsequent violations, unless the WIC Vendor Management Unit determines that notifying the vendor would compromise an investigation. A pattern is considered as two or more of the same violation.

INVENTORY AUDITS – If it is determined that notifying the vendor would compromise an investigation, our office will conduct an inventory audit. During these audits, a review of specific WIC-approved foods over a selected period of time-*three months*. A member of management and both WIC staff members will verify and sign the initial inventory count. The vendor will be required to submit invoices for specific WIC-approved items when requested. At the end of the selected time period, WIC staff members will review the store's inventory items receipts. All WIC sales receipts and invoices for stock that has been ordered and received during the audit time period will be requested.

Vendor Training

A series of vendor training sessions are conducted annually by the Vendor staff and held in multiple locations across the state (including two centralized sessions). These training sessions cover all policies and procedures and provide an opportunity for questions/answers and discussion of problems. Each authorized vendor must have at least one representative attend the annual training. It is the vendor's responsibility to ensure cashiers and other staff are trained on WIC Program policies and guidelines.

Program Violations

Each violation of a program regulation has a set point value and a specific time period during which the points will remain on a vendor's record. If a vendor accumulates fifteen (15) or more violation points, the store will be disqualified from the program. The period of disqualification is determined by the nature of the violation(s), the number of violations and past disqualifications. Disqualification periods range from a minimum of one (1) year to permanent.

When a store accumulates fifteen (15) or more violation points, the vendor receives a disqualification letter giving a minimum of fifteen (15) days advance notice of the beginning date of the disqualification. With this notice, the vendor also receives information concerning the procedures for requesting a fair hearing. During the disqualification period, the vendor is not to redeem WIC EBT cards. Disqualification from the WIC Program may result in disqualification as a retailer in SNAP. Such disqualifications may not be subject to administrative or judicial review under SNAP.

The chart on the following page lists possible WIC Program violations, including their point values and retention periods.

VIOLATIONS	POINT VALUE	POINTS RETAINED FOR
Failure to properly redeem WIC EBT, including, but not limited to, not ensuring store personnel does not accept/approve any eWIC transaction for WIC participants under any circumstances.	5.0	1 year
Not marking WIC items with price labels or shelf tags.	5.0	1 year
Stocking WIC-approved foods outside of the manufactures' expiration date. <ul style="list-style-type: none"> • More than 3 containers of a particular food item (Ex: 3 cans formula, 3 boxes of same cereal, etc.) 	5.0	1 year
Allowing substitutions for items listed on WIC EBT accounts.	5.0	1 year
Failure to submit WIC Vendor Price Survey as requested.	5.0	1 year
Failure to stock required quantity and/or variety of foods as listed in Agreement. <ul style="list-style-type: none"> • 1-3 items • 4-8 items • More than 8 items 	5.0 8.0 10.0	1 year 18 months 18 months
Where no specific brand is prescribed, requiring a participant to purchase a specific brand of WIC approved foods when more than one brand is available.	5.0	1 year
Collecting sales tax on WIC purchases.	5.0	1 year
Providing (sell/give) incentive items to participants.	5.0	1 year
Not providing infant formula invoices from an approved wholesaler, distributor or retailer.	5.0	1 year
Not allowing split tender transactions on CVBs.	5.0	1 year
Threatening or abusing, either verbally or physically, a WIC participant or WIC personnel in the conduct of official WIC business.	8.0	18 months
Not providing promotional specials or not accepting cents-off coupons or store discount cards to reduce WIC price.	8.0	18 months
Issuing Rain Checks.	8.0	18 months
Requiring WIC participants to use special check-out lanes. Not showing WIC participants the same courtesies as other customers. Committing acts of discrimination.	8.0	18 months
Use of a "scan book" or similar device in which a UPC label(s) in such book or other device are used in place of scanning the product UPC directly from the product being sold.	8.0	18 months
Requiring cash purchase to redeem eWIC benefits.	8.0	18 months
Requiring participants to pay for a rejected WIC EBT transactions	8.0	18 months

Mandatory Vendor Sanctions

Permanent Disqualification

The State agency must permanently disqualify a vendor for the following:

- (1) A conviction of trafficking WIC EBT cards or selling firearms, ammunition, explosives or controlled substances (defined in Sec 102 of the Controlled Substances Act (21. U.S.C. 802)) in exchange for WIC EBT cards. A vendor is not entitled to receive any compensation for revenues lost as a result of such violation.

Six-year Disqualification

The WIC Program must disqualify a vendor for six (6) years for:

- (1) One incidence of buying or selling one or more WIC EBT cards (trafficking);
- (2) One incidence of selling firearms, ammunition, explosives or controlled substances as defined in 21 U.S.C. 802, in exchange for one or more WIC EBT cards.

Three-year Disqualification

The WIC Program must disqualify a vendor for three (3) years for:

- (1) One incidence of the sale of alcohol or alcoholic beverages or tobacco products in exchange for one or more WIC EBT cards.
- (2) A pattern of claiming reimbursement for the sale of an amount of a specific supplemental food item that exceeds the store's documented inventory of that supplemental food item for a specific period of time;
- (3) A pattern of vendor overcharges;
- (4) A pattern of receiving, transacting and/or redeeming WIC EBT cards outside of authorized channels (laundering), including the use of an unauthorized vendor and/or an unauthorized person;
- (5) A pattern of charging for supplemental food not received by the participant;
- (6) A pattern of providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives or controlled substances as defined in 21 U.S.C. 802, in exchange for WIC EBT cards.

One-year Disqualification

The WIC Program must disqualify a vendor for one (1) year for:

- (1) A pattern of providing unauthorized food items by type, or size, or quantity in exchange for WIC EBT, including charging for supplemental foods provided in excess of those listed on the WIC EBT account.
- (2) A pattern of charging prices for WIC items above the maximum allowable price for the stores within the same peer group and geographical region.
- (3) Intentionally providing incorrect quantity or type of infant formula specified on a WIC EBT account.
- (4) Intentionally providing false information on the WIC Vendor Application.
- (5) Intentionally providing false information on the Vendor Price Survey.
- (6) Failure to provide an itemized receipt with each WIC EBT transaction.
- (7) Failure to allow monitoring of the store by a WIC Investigator.
- (8) Entering the PIN for the WIC participant.
- (9) Failure to submit a WIC Vendor Price Survey after the second request.
- (10) Failure to attend WIC Annual Vendor Training.

Effective Date of Disqualification of Vendors

The WIC Program must make permanent disqualifications effective on the date of receipt of the notice of the adverse action. The WIC Program must make all other disqualifications effective no earlier than 15 days after the date of the notice of the adverse action and no later than 90 days after the date of the notice of adverse action.

Second Mandatory Sanction

When a vendor previously has been assessed a sanction for any of the violations listed in this section, receives another sanction for any of these violations, the WIC Program must double the second sanction.

Third or Subsequent Mandatory Sanction

When a vendor who previously has been assessed two or more sanctions for any of the violations listed in this section receives another such sanction, the WIC Program must double the third and all subsequent sanctions.

SNAP Disqualification

Disqualification from the WIC Program may result in disqualification as a retailer in SNAP. Such disqualification may not be subject to administrative or judicial review under SNAP.

The WIC Program must disqualify a vendor who has been disqualified from SNAP. The disqualification must be for the same length of time as the SNAP disqualification, may begin at a later date than the SNAP disqualification, and is not subject to administrative or judicial review under the WIC Program.

Vendor Claims

When the state agency determines the vendor has committed a vendor violation that affects the payment to the vendor (overcharge), the WIC Program will establish a claim. The claim amount will exceed the maximum allowable price of each WIC EBT transaction that contained the vendor overcharge or other error. The vendor must pay any claim assessed by the WIC Program.

A vendor overcharge is intentionally or unintentionally charging the WIC Program more for authorized supplemental foods than is permitted.

WIC Logo Usage

WIC vendors are not permitted to use with the acronym “WIC” or the WIC logo, including close facsimiles, in total or part, either in the official name in which the business is registered or in the name under which it does business, if different. WIC vendors are also not permitted to use either the acronym “WIC” or the WIC logo in advertising or promotional literature; nor are vendors allowed to apply stickers, tags or labels having the WIC acronym or logo on WIC-approved foods. Both the acronym and logo are registered with the U.S. Patent and Trademark Office.

The state office will allow shelf-stickers and shelf-talkers if proper approval is granted by the State Office. If a vendor would like to request state-issued shelf-stickers, contact the Vendor Management Unit.

Vendor Appeals

Vendors or vendor applicants can appeal certain actions taken by the State agency. For those actions that may be appealed, the State agency will notify the vendor or vendor applicant of the appropriate procedures and requirements to file an appeal.

If the State agency has taken an adverse action against your store, you may request a fair hearing.

IT IS YOUR RIGHT TO APPEAL A DECISION OF THIS STATE AGENCY WHEN:

1. Your application for participation as a WIC vendor has been denied;
2. You are disqualified from participation as a WIC vendor;
3. Your agreement with the WIC Program is not renewed;
4. Adverse action is taken that affects your participation in the WIC Program.

Below are the steps to request an appeal:

(Step 1)

- The vendor must provide the State agency (WIC Vendor Management Unit) with a written request for a fair hearing within fifteen (15) days of the receipt of the notice of the adverse action.
- The written request must list the actions with which the vendor disagrees as well as reasons the vendor disagrees with these actions.
- If the vendor does not request a hearing within the 15-day notification period, the State agency's decision becomes final.

(Step 2)

- The State agency will contact the vendor within fourteen (14) days of receipt of the fair hearing request to conduct a preliminary conference.
- The conference will be used in an attempt to resolve the complaint and to explain WIC policies and procedures.
- If resolved, the matter is documented by a follow-up letter to the vendor.
- If the matter cannot be resolved and the vendor wishes to continue with the request for a hearing, the State agency will continue with the fair hearing process.
- Appealing an action does no relieve the vendor from the responsibility of continued compliance with the terms of any written agreement with the State agency.

(Step 3)

- If the vendor is not satisfied with the outcome of the preliminary conference, the vendor may submit a request for final review to the S.C. Department of Health and Environmental Control's Clerk of the Board within 15 days after the conference.
- The WIC Program will provide additional information regarding the Board review process following the preliminary conference.

Complaint Process

The S.C Department of Health and Environmental Control and USDA take all complaints seriously and encourage the immediate reporting of any alleged WIC Program abuse, violation or fraud.

All complaints made against a vendor must be documented using a WIC Complaint/Follow-up Form “DHEC 1898” or reported verbally to the WIC Vendor Unit at (1-800-922-4406). If WIC Program violations are noted, at a minimum, the WIC vendor will be contacted and notified of the details of the complaints, regulations or policies violated and the sanction (if applicable) that could be assessed. Individuals making complaints may chose not to give their names. All documentation concerning complaints against vendors will be retained in the South Carolina WIC Vendor Unit for three (3) years.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices and employees, and institutions participating in or administering USDA programs, are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (AD)-3027) found online at http://www.ascr.usda.gov/complaint_filing_cust.html or at any USDA office. Or you can write a letter addressed to USDA and provide all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) Mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue,
SW Washington, D.C. 20250-
9410
- (2) Fax: (202) 690-7742; or
- (3) Email: program.intake@usda.gov.

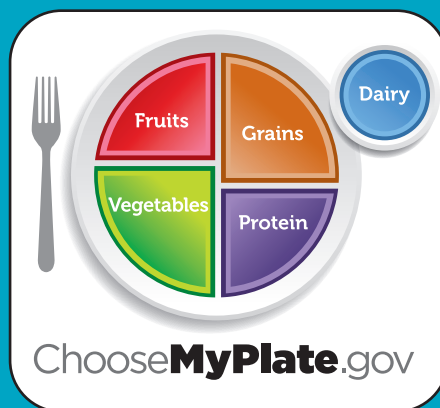
This institution is an equal opportunity provider.

This “South Carolina WIC Vendor Handbook” is considered part of the current SC WIC Vendor Agreement. If you have any questions concerning this handbook, the vendor agreement or any other part of the WIC Program, please write to:

**WIC-Vendor Management Unit
2100 Bull Street
Columbia, SC 29201**

Or

**Toll-free:1-800-922-4406
www.scdhec.gov/wic**



www.scdhec.gov/wic

2100 Bull Street, Columbia, SC 29201 800.922.4406